

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 027829
ORIGIN EUR-12

INFO OCT-01 ISO-00 /013 R

66011

DRAFTED BY: EUR/RPE:J A POLANSKY

APPROVED BY: JA POLANSKY EUR/RPE

-----006361 021506Z /43

R 021429Z FEB 78

FM SECSTATE WASHDC

INFO AMEMBASSY PARIS 4185

LIMITED OFFICIAL USE STATE 027829

OECD

FOL TEL SENT ACTION SECSTATE INFO LENINGRADE BELGRADE
BERLIN USBERLIN BUCHAREST HAVANA USNATO MUNICH PRAGUE
SOFIA WARSAW DTD 30 JAN 1978 QTE

LIMITED OFFICIAL USE MOSCOW 1402

E.O. 11652: N/A

TAGS: ENRG, SOCI, UR

SUBJECT: NEW SOVIET GASOLINE SALES MEASURES

SUMMARY: SINCE JANUARY 1 GASOLINE COUPONS ISSUED TO FOREIGNERS
AND TO SOVIET CITIZENS ALIKE ARE VALID ONLY FOR A THREE-MONTH
PERIOD (RATHER THAN FOR SIX OR TWELVE MONTHS), AND MAY NEITHER BE
REDEEMED NOR REVALIDATED. WHILE THERE MAY BE A NUMBER OF REASONS
FOR ISSUING NEW REGULATIONS AND TIGHTENING UP CONTROL NOW --
A BETTER ABILITY TO ALLOCATE DEMAND BY PLACE AND TIME AND
CONSUMER, ELIMINATION OF CARRY-OVER DEMAND -- THE MORE IMPORTANT
RESULT IN THE LONG RUN MAY BE THE ESTABLISHMENT OF A SYSTEM THAT
COULD BE USED TO CONSTRICT DEMAND FAIRLY QUICKLY IN THE FUTURE
IF THAT SHOULD BE DEEMED DESIRABLE. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 027829

1. WE ARE INFORMED THAT THE DIPLOMATIC SERVICE AGENCY (UPDK)
IN MID-DECEMBER SENT A CIRCULAR NOTE TO EMBASSIES (WE DID NOT
RECEIVE A COPY) INFORMING THEM THAT UPDK GASOLINE COUPONS FOR
THE DIPLOMATIC CORPS WILL BE VALID ONLY FOR THE 3-MONTH
PERIOD JANUARY TO MARCH AND THAT UNUSED COUPONS WILL NOT BE
REDEEMED OR RE-VALIDATED. RECIPIENT EMBASSIES HAVE INFORMED

US THAT THE THREE-MONTH VALIDITY PERIOD FOR COUPONS WILL REMAIN IN EFFECT FOR THE FORESEEABLE FUTURE. UPON INQUIRY, THE FRENCH WERE TOLD BY HEAD OF GENERAL SERVICES AT UPDK THAT THESE NEW REGULATIONS APPLY TO ALL SOVIET CITIZENS AS WELL AS TO DIPLOMATS.

2. COMMENT: SOVIETS ARE APPARENTLY TRYING TO INCREASE CONTROL OVER DISTRIBUTION AND ACCOUNTING FOR GASOLINE. ONE MEASURE OF THE SERIOUSNESS AND EFFECTIVENESS OF THE AUTHORITIES WILL BE HOW LONG AND HOW STERNLY THE STATION ATTENDANTS ENFORCE THE NEW REGULATIONS. ON THAT SCORE THE PICTURE IS STILL UNCLEAR. IN EARLY JANUARY EVEN DIPLOMATS WERE ENCOUNTERING SOME PROBLEMS IN BUYING GASOLINE WITH RUBLES RATHER THAN COUPONS. THIS WEEK, HOWEVER, AT LEAST TWO DIPLOMATS HAVE BOUGHT 95-OCTANE FOR RUBLES WITHOUT ANY HASSLE AT ALL.

3. POSSIBLE MOTIVATIONS FOR THE NEW MEASURES INCLUDE TIGHTENING UP ACCOUNTING TO DISCOURAGE THEFT AND DIVERSION AT THE RETAIL LEVEL, INCREASING THE ABILITY TO CONTROL EFFECTIVE DEMAND, RAISING REVENUES FROM GASOLINE SALES -- HENCE AN INVISIBLE PRICE INCREASE (BECAUSE ORGANIZATIONS WILL HAVE TO OVER-BUY COUPONS IN ORDER TO HAVE ENOUGH), AND INCREASING SLIGHTLY FOREIGN EXCHANGE EARNINGS (BECAUSE EMBASSIES MUST NOW PAY BY BANK TRANSFER, RATHER THAN IN RUBLES).

4. MORE IMPORTANT, WE THINK, IS FACT THAT INSTITUTION OF QUARTERLY COUPONS WILL PERMIT RESTRICTION ON THEIR ISSUANCE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 027829

TO LIMIT EFFECTIVE DEMAND FAIRLY RAPIDLY BY ELIMINATING VALIDITY OF COUPONS FROM PREVIOUS QUARTER. IT ALSO SETS UP A SYSTEM THAT WILL ALLOW CONSUMPTION TO BE CONSTRICTED AT WILL QUARTERLY. MATLOCK UNQTE VANCE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GASOLINE, SALES, RATIONING
Control Number: n/a
Copy: SINGLE
Draft Date: 02 feb 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE027829
Document Source: CORE
Document Unique ID: 00
Drafter: EUR/RPE:J A POLANSKY
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780050-0290
Format: TEL
From: STATE
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197802100/aaaadgna.tel
Line Count: 98
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 62c3cdcc-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: ONLY
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3428011
Secure: OPEN
Status: NATIVE
Subject: NEW SOVIET GASOLINE SALES MEASURES SUMMARY: SINCE JANUARY 1 GASOLINE COUPONS ISSUED TO FOREIGNERS AND TO SOVIET CITIZENS ALIKE ARE VALID ONLY FOR A
TAGS: ENRG, SOCI, UR
To: USOECD PARIS
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/62c3cdcc-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014